



30 Bank Street  
PO Box 350  
New Britain  
CT 06050-0350  
06051 for 30 Bank Street  
(860)223-4400  
fax (860)223-4488

Testimony of Houston Putnam Lowry  
Chair, International Law & Practice Section of the Connecticut Bar Association  
*Senate Bill 1092, An Act Concerning Choice of Law with Respect to Commercial Transactions*  
Judiciary Committee  
March 20, 2009

Senator McDonald, Representative Lawlor and members of Judiciary Committee, thank you for the opportunity to comment in support of Senate Bill 1092, An Act Providing Local Jurisdiction for Victims of Tortious Conduct. My name is Houston Putnam Lowry<sup>1</sup>. I serve on the Executive Committee of International Law & Practice Section of the Connecticut Bar Association. The section supports Senate Bill 1092 because it will promote international trade.

The bill substantially tracks New York general obligation §5-1401.<sup>2</sup> The predictability of contractual provisions is very important in international trade. A commercial contractual provision between parties of equal bargaining position should mean what it says. Currently under Connecticut law, such a provision might not be enforced because the transaction has no reasonable relationship to Connecticut.

For the past thirty years, the Connecticut legislature has worked hard to modernize its law to face the challenges of modern international trade. Parties can recognize this and elect to choose Connecticut law to govern their relationship, even though Connecticut has no other role in the transaction. Connecticut should not thwart the power of commercial parties to choose Connecticut law to govern their transaction.

Other states have similar legislation, such as California Civil Code §1646.5,<sup>3</sup> Delaware Code §2708(a),<sup>4</sup> Florida §685.101,<sup>5</sup> and 735 Ill. Compiled Statutes §105/5-5.<sup>6</sup>

---

<sup>1</sup> A member of Brown & Welsh, P.C.

<sup>2</sup> §5-1401. Choice of law. 1. The parties to any contract, agreement or undertaking, contingent or otherwise, in consideration of, or relating to any obligation arising out of a transaction covering in the aggregate not less than two hundred fifty thousand dollars, including a transaction otherwise covered by subsection one of section 1-105 of the uniform commercial code, may agree that the law of this state shall govern their rights and duties in whole or in part, whether or not such contract, agreement or undertaking bears a reasonable relation to this state. This section shall not apply to any contract, agreement or undertaking (a) for labor or personal services, (b) relating to any transaction for personal, family or household services, or (c) to the extent provided to the contrary in subsection two of section 1-105 of the uniform commercial code.

2. Nothing contained in this section shall be construed to limit or deny the enforcement of any provision respecting choice of law in any other contract, agreement or undertaking.

<sup>3</sup> Notwithstanding Section 1646, the parties to any contract, agreement, or undertaking, contingent or otherwise, relating to a transaction involving in the aggregate not less than two hundred fifty thousand dollars (\$250,000), including a transaction otherwise covered by subdivision (a) of Section 1301 of the Commercial Code, may agree